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NEWS RELEASE

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GOVERNOR ANNOUNCES TENNCARE AND SAFETY NET EXTENSIONS

Nashville - Governor Phil Bredesen has announced key extensions of TennCare and Safety Net programs into 2006. TennCare will continue to offer private duty nursing to eligible enrollees and will postpone the implementation of non-pharmacy limits. In addition, the Governor announced that Safety Net programs will continue for Tennesseans disenrolled from TennCare until June 30, 2006.

"Good management has led us to a place where we can extend medical assistance programs for the benefit of our neighbors in need," Bredesen said. "We have worked very hard to get TennCare under control and now the efforts are bearing fruit. I intend to fight hard both to improve TennCare in the coming year and to extend access to care under different programs to hundreds of thousands of Tennesseans who do not qualify for TennCare and who have no insurance coverage."

TennCare

Governor Bredesen has accepted TennCare Director J.D. Hickey's budget recommendation to continue private duty nursing services to all eligible TennCare enrollees and to postpone indefinitely the implementation of other service limits.

Nursing services were previously scheduled to end in December 2005. Limits on TennCare doctor visits, hospital stays and other non-pharmacy services were originally scheduled to take effect January 1, 2006. TennCare's request to follow the lead of most states to use non-pharmacy limits is still pending with the Centers for Medicare and Medicaid Services.

"Dr. Hickey has assured me that TennCare's budget is on track and that we can manage under the existing program for six more months," said Bredesen. "This will also allow us more time to determine if the preferred soft limit system will be an affordable option in the future."

Safety Net

Unlike any state in the nation, in June 2005 the Tennessee General Assembly made the bold move of appropriating funds for the implementation of transitional Safety Net programs to help TennCare disenrollees bridge the gap from TennCare coverage to other health care solutions. When partnered with allotments from the Administration, these funds totaled \$140 million. Careful management of these funds have made it possible to continue offering Safety Net programs into the new year.

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As of today, programs to assist disenrollees in special populations will be extended through June 30, 2006. Specifically this includes the transplant program, the hemophilia program, the dialysis program and the chemotherapy program for cancer patients. Until this announcement most of these programs were set to expire within the next 3 weeks to 3 months. The more extensive program to provide disenrollees 55 free generic medications through Rx Outreach, as well as affordable diabetic supplies and insulin had already been extended in a previous announcement.

"I am very pleased that we can extend programs like these that offer assistance to Tennesseans caught between federal Medicaid eligibility and a hard place," Bredesen says of the Safety Net. "TennCare can't be the one-stop-shop it once was but help is out there."

- The transplant assistance program helps disenvollees who received a solid organ transplant while on TennCare continue to receive needed anti-rejection medications as well as a limited number of related services. This program was originally set to expire December 31, 2005.
- Working with The National Kidney Foundation, the dialysis assistance program supplies needed medications to disensollees on dialysis with end-stage renal disease. The program was originally slated to end February 28, 2006.
- The chemotherapy/radiation therapy program offers a small subsidy and access to a list of oncologists who have agreed to help at reduced rates. This program is specifically for disenrollees who were diagnosed with cancer and prescribed chemotherapy or radiation at the time of disenrollment. This program was originally scheduled to end December 31, 2005. As part of the extension the program is being moved from the Department of Health to the Safety Net.
- Working with The Tennessee Hemophilia and Bleeding Disorders Foundation, the hemophilia program is connecting disenrollees with Hemophilia with case management services, insurance case management and pharmacy assistance.
- The pharmacy assistance program, Rx Outreach, which provides free generics for disenrollees through a 55 drug formulary and pharmacy assistance for insulin and diabetic supplies, had previously been extended. For disenrollees eligible for Medicare Part D, the Rx Outreach assistance program will be available until February 28, 2006, providing two months overlap while those individuals enroll in a Medicare Prescription Drug Program, which starts on January 1, 2006. For all other disenrollees Rx Outreach assistance will be available until June 30, 2006. Originally, Rx Outreach assistance was due to expire December 31, 2005.

For more information on TennCare programs please call the Family Assistance Center at 1-866-311-4287.

For more information on the Tennessee Safety Net and services such as prescription assistance programs, affordable local medical service, and assistance for disenrollees with diabetes, dialysis, hemophilia, or chemotherapy concerns, call the Tennessee Health Options hotline at 1-888-486-9355 or visit http://www.tnhealthoptions.org/index.html.